

What is claimed is:

CLAIMS

1. A method of doing business in which the cost of a component, service or process is established by:

using a computerized process that includes data bases from which aspects of the cost, provided best in class design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are utilized, can be determined;

generating reports from said computerized process that include details of each aspect of the cost;

providing the reports to prospective suppliers of the component or service;

conducting discussions, with the prospective suppliers of the component or service, in an effort to gain concurrence on the fact basis of what the cost of the component or process ought to be;

conducting fact based discussions, with prospective suppliers of the component or service with whom concurrence on the cost has been reached, in an effort to reach an agreement on what the price of the component or process will be to enable both the buyer and seller to prosper as world class businesses.

2. In a networked computerized system, a method of determining what the cost of a part or service ought to be provided world class practices, processes, labor rates, uptimes and yields are used, the method comprising:

establishing databases of cost components for producing parts and services that will, when totaled, be what the cost of the part ought to be provided the best design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are followed;

providing a database interface for the database that will allow remote access by one or more users;

establishing a set of computer screens, including input fields into which cost components can be inputted either directly or through menus that display options from said database that can be selected, each screen concentrating on a cost area such as material, labor, capital, manufacturing and overhead;

- 100 90 80 70 60 50 40 30 20
- totaling the inputted figures and rates for each screen, make any necessary calculations and store the subtotal for each screen; and
- totaling all of said subtotals which is the ought to be cost of the part or service.
3. In the method as set forth in claim 2 wherein the following further step is performed:
- printing out a report for a screen describing the components of the screen and the inputted amounts and the subtotal for the screen.
4. In the method as set forth in claim 2 wherein the following further step is performed:
- printing out a report for all screen describing the components of each screen, the inputted amounts for each component, the subtotal for each screen and a total for all screens.
5. A computer system for determining what the cost of a part or service ought to be including a computer system accessible on a network to authorized users of the network, said computer system comprising;
- a computer program that, has fields into which cost data can be manually entered, can interface with a database or databases and can be accessed by one or more users, said computer program being programmed to perform computations on data that has been imputed manually or from a database;
- a database, that can interface with said computer program, containing cost components for parts;
- a set of computer screens for said computer program including input fields into which cost components can be inputted and menus that display list of cost components from said database that can be selected, each screen concentrating on a cost area such as material, labor, capital, machining or overhead;
- said computer program having the capability to total all inputted cost components, make any necessary calculations and store the subtotal for each screen; and
- said computer program having the capability to total all of said subtotals which is the ought to be cost of the part or service.

6. In a computer system as set forth in claim 5 wherein the computer program has the capability to print out a report for a screen describing the components of the screen, the inputted amounts and the subtotal for the screen.

7. In a computer system as set forth in claim 5 wherein the computer program has the capability to print out a report for all screens describing the components of each screen, the inputted amounts for each component, the subtotal for each screen and a total for all screens.

8. A method of using a computer to develop a factual report that will be used in fact driven discussions with a supplier in an effort to establish what the cost of the part or service ought to be, comprising the steps of:

identifying and quantifying the cost components of a part or step of a process that, when totaled, determine what the cost of the part or process ought to be provided the best design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are followed;

inputting into the computer all cost components that are necessary to determine what the cost ought to be for each component of the part or step of the process;

totaling all cost components and making all necessary calculations for each part or step in a process and recording this as a subtotal;

totaling all of said subtotals, which is what the cost ought to be, for the part or process provided the best design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are followed;

outputting from the computer program a report that specifies the cost of each part or process and how each component of this cost was established; and

utilizing this report in cost driven discussions with a supplier to obtain an agreement with the supplier to provide parts or services at a price that is based upon the ought-to-be cost.

9. A method of using a computer to facilitate identifying and quantifying cost components of a part or service, the total of which is what the cost ought to be provided the

best design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are followed, comprising the following steps:

providing a computer program that can interface with a database, said computer program being available on a network that will allow remote access by one or more users;

establishing a database that interfaces with said computer program, the database containing fact based cost components that are needed to calculate what the cost ought to be provided the best design, manufacturing practices, supply chain management techniques, labor rates, uptimes and yields are followed;

establishing a set of computer screens for said computer program including input fields into which component cost can be inputted and menus that display options of component cost from said database, each screen concentrating on a cost area such as material, labor, capital, manufacturing and overhead;

providing said computer program with the capability to total all inputted cost components, make any necessary calculations and store the subtotal for each screen; and

providing said computer program with the capability to total all of said subtotals which is the ought-to-be cost of the part or service.

10. In the method of using a computer as set forth in claim 9 wherein the following further step is performed:

printing out a report for a screen describing the components of the screen, the inputted amounts and the subtotal for the screen.

11. In the method of using a computer as set forth in claim 9 wherein the following further step is performed:

printing out a report for all screens describing the components of each screen, the inputted amounts for each component, the subtotal for each screen and a total for all screens.